

**AGREEMENT**  
**BETWEEN**  
**THE STATE OF ARIZONA**  
**AND**  
**AIRPORT WEST PROPERTIES, Ltd.,**  
**and**  
**AIRPORT CENTRE PROPERTIES, Ltd**

THIS AGREEMENT is entered into 21 November, 2000, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State") and AIRPORT WEST PROPERTIES, Ltd., a California Limited Partnership, and AIRPORT CENTRE PROPERTIES, Ltd., a California Limited Partnership, each acting by and through its duly authorized General Partners, for and on behalf of the CENTRE DEVELOPMENT of Lake Havasu City, Arizona, hereinafter collectively referred to as the "Partnership".

**I. RECITALS**

1. The State is empowered by Arizona Revised Statutes Section 28-401 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the State

2. The Partnership has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has authorized the undersigned to execute this agreement on behalf of the Partnership.

3. Incident to an improvement project on SR-95 in Lake Havasu City from MP 177.00 to approximately MP 189.91 contemplated by the State, the Partnership has requested the State design and construct 3 additional right and left turn lanes and new traffic signals to accommodate ingress/egress at the Partnership development, and realign Old London Bridge Road at SR-95 (contingent upon the requirements of a traffic impact study, and the States' project development), generally as shown on Exhibit A, which is attached hereto and made a part hereof, at a currently (preliminary) estimated cost of \$80,000.00 for design and \$800,000.00 for construction, all at Partnership expense, hereinafter referred to as the Project.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

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## II. SCOPE OF WORK

### 1 The State will:

a. Provide to State standards design plans, specifications and such other documents and services required for construction bidding and construction of the Project. Incorporate or promptly resolve Partnership review comments

b. Prior to the commencement of design, but no later than 15 February 2001, invoice the Partnership for the reasonable direct actual cost of the Project design, in an amount currently estimated at \$80,000.00. Prior to the award of a project construction contract(s), invoice the Partnership for the reasonable direct actual cost of the Project construction, in an amount currently estimated at \$800,000.00, plus 9% for construction engineering.

c. Call for bids, and with the concurrence of the Partnership, award one or more construction contract(s) for the Project. Administer same and make all payments to the contractor(s). Be responsible for any contractor claims for extra compensation due to delays or whatever reason attributable to the State on the State's project.

d. Upon completion, approve and accept the Project on behalf of the parties hereto, and provide maintenance inside the State right-of-way. Within 90 days after project completion, provide the Partnership a detailed accounting of the project costs, and refund or invoice the Partnership any financial discrepancy.

### 2. The Partnership will:

a. Review the design documents and provide comments

b. Retain the right to cancel the Partnership requested project improvements (only) prior to the award of a State construction contract, e.g., the right turn lanes, associated traffic signals, and the realignment of Old London Bridge Road, in the event of excessive cost.

c. Within 30 days after receipt of a State invoice for design, and no later than 15 February 2001, pay the State the cost of design of the Project, in an amount currently estimated at \$80,000.00. After State bid opening, but prior to the award of a construction contract(s), timely pay the State for the reasonable direct actual cost (plus 9% for construction engineering) of the Partnership requested right turn lanes, traffic signals and Old London Bridge Road realignment at SR-95, in a (preliminary) amount currently estimated at \$800,000.00. Be responsible for any contractor claims for extra compensation due to delays or whatever reason attributable to the Partnership on the Project.

## III. MISCELLANEOUS PROVISIONS

1 This agreement shall remain in force and effect until completion of said project and payments, provided; however, that this agreement may be cancelled at any time prior to the commencement of project design performance under this agreement, upon thirty (30) days written notice to the other party.

2 This agreement shall become effective upon execution by the parties hereto

3 This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards conflicts of interest on behalf of state employees

4 The provisions of Arizona Revised Statutes Section 35-214 pertaining to audit are applicable to this contract.

5 In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518

6 All notices or demands upon any party to this agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:

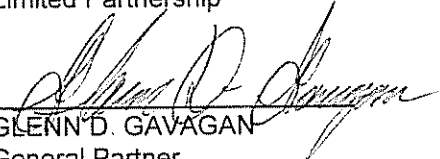
Arizona Department of Transportation  
Joint Project Administration  
205 South 17 Avenue, Mail Drop 616E  
Phoenix, AZ 85007

The Centre Development of Lake Havasu City  
PO Box 3207  
Lake Havasu City, AZ 86405

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

**AIRPORT WEST PROPERTIES, Ltd.**  
A Limited Partnership

By

  
GLENN D. GAVAGAN  
General Partner

By

  
F. ALLEN CAMPBELL  
General Partner

ATTEST

By

Secretary

**AIRPORT CENTRE PROPERTIES, Ltd.**  
A Limited Partnership

By

  
F. ALLEN CAMPBELL  
General Partner

By

  
GLENN D. GAVAGAN  
General Partner


ATTEST

By

Secretary

**STATE OF ARIZONA**  
Department of Transportation

By

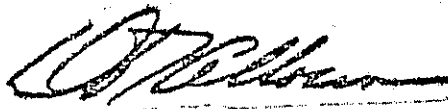
  
WILLIAM J. HIGGINS  
Deputy State Engineer

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RESOLUTION

BE IT RESOLVED on this 24th day of August 2000, that I, the undersigned MARY E. PETERS, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Intermodal Transportation Division, to enter into an agreement with Airport West Properties, Ltd., and Airport Centre Properties, Ltd. for the purpose of defining responsibilities for the design and construction of improvements to SR-95 from MP 177.0 to MP 189.91.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted to the Deputy State Engineer for approval and execution.

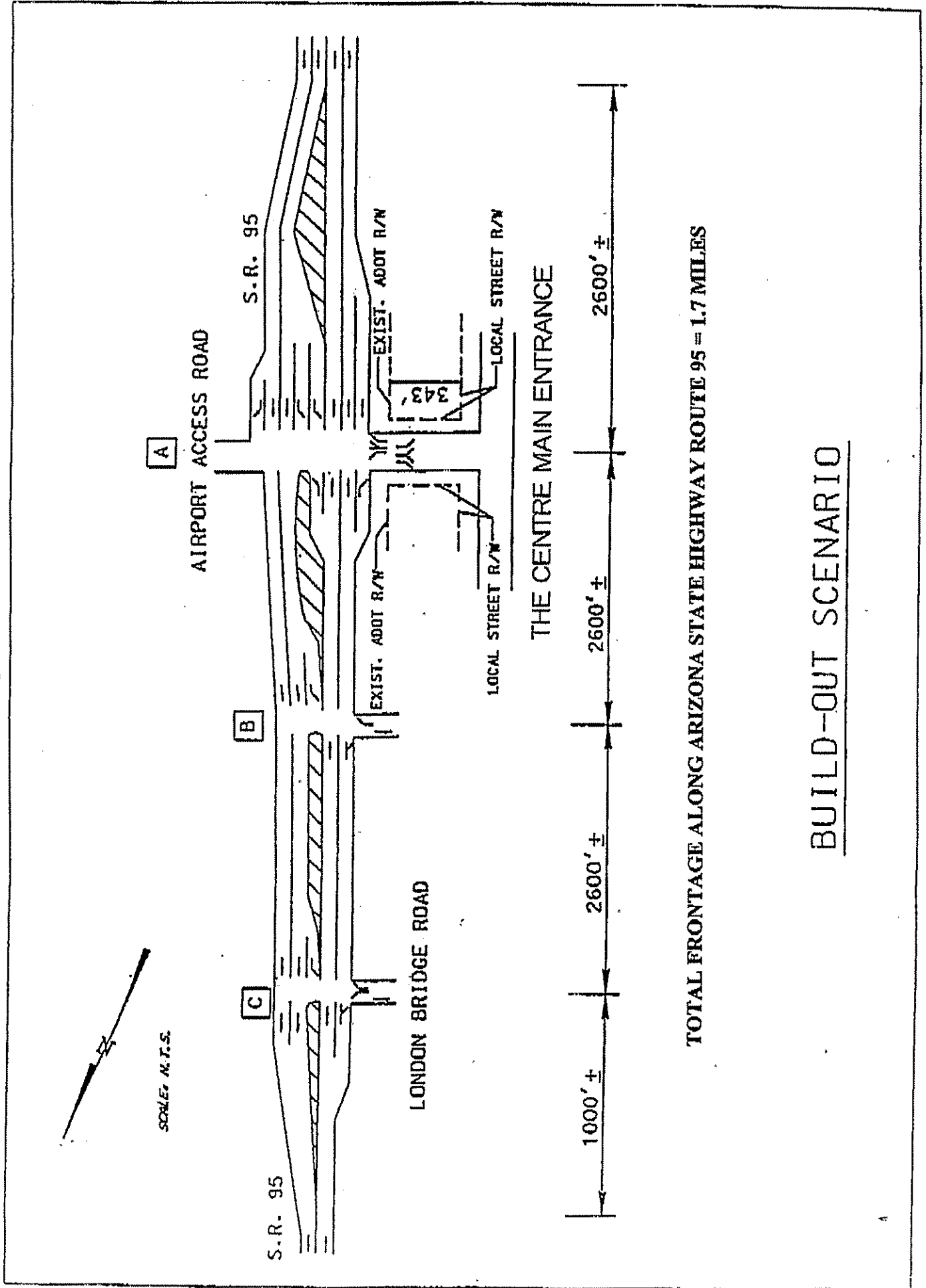
A handwritten signature in dark ink, appearing to read 'D. Allocco', is written over a horizontal line.

DAVID R. ALLOCCO, P.E.  
Assistant State Engineer  
Engineering Technical Group  
for Mary E. Peters, Director

# Arizona Department of Transportation

Highway Improvements

"THE CENTRE" development of Lake Havasu City, Arizona



**RESOLUTION**

**RESOLUTION OF THE STATE OF ARIZONA TRANSPORTATION BOARD  
ACCEPTING AND APPROVING A HIGHWAY EXPANSION AND EXTENSION  
LOAN APPLICATION FROM THE CITY OF LAKE HAVASU CITY, ARIZONA  
AND AUTHORIZING A LOAN REPAYMENT AGREEMENT.**

The Board hereby accepts and approves the application for financial assistance from the Highway Expansion and Extension Loan Program (HELP) as requested by the City of Lake Havasu City, Arizona and as approved and recommended by the HELP Advisory Committee.

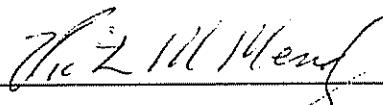
The Board hereby authorizes the Chairman to enter into a Loan Repayment Agreement relating to HELP Loan Number QLHV1S02U, City of Lake Havasu City, SR95 Project.

Dated this 21<sup>st</sup> day of June, 2002

State of Arizona Transportation Board

  
Chairman

**ATTEST:**

  
Director, Arizona Department of Transportation